

**SEMINOLE COUNTY GOVERNMENT
AGENDA MEMORANDUM**

SUBJECT: Release of the original Letter of Credit (replaced with new Letter of Credit #BB 9916/AR45) in the amount of \$15,532.00 for water and sewer for the project known as Markham Woods Enclave

DEPARTMENT: Environmental Services

DIVISION: Business Office

AUTHORIZED BY: Andrew Neff

CONTACT: Becky Noggle

EXT: 2143

MOTION/RECOMMENDATION:

Approve release of the original Letter of Credit (replaced with new Letter of Credit #BB 9916/AR45) in the amount of \$15,532.00 for water and sewer for the project known as Markham Woods Enclave.

District 5 Brenda Carey

Bob Briggs

BACKGROUND:

Due to Colonial Bank going into receivership, The following Letter of Credit has been replaced with a new Letter of Credit issued by BB&T. The new LOC is currently at County Records waiting to be recorded once this has been released.

Release Letter of Credit #31 9948 in the amount of \$15,532.00 for water and sewer which was accepted by submission into County Records Memorandum dated June 6, 2008 for the project known as Markham Woods Enclave.

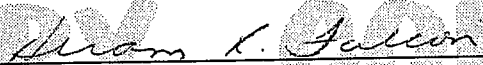
STAFF RECOMMENDATION:

Staff recommends that the Board approve the release of the original Letter of Credit replaced with new Letter of Credit #BB 9916/AR45) in the amount of \$15,532.00 for the project known as Markham Woods Enclave.

ATTACHMENTS:

1. Original LOC
2. New replacement LOC

Additionally Reviewed By: No additional reviews

AMENDMENT NO 1 DATED MAY 19, 2008		PAGE 1	AMENDMENT TO STANDBY LETTER OF CREDIT	NUMBER 31 9948
APPLICANT KING BUILDERS, LLC. 3359 HORSESHOE BEND COURT LONGWOOD, FL 32779			PLACE AND DATE OF ISSUE SUNRISE JULY 03, 2007	
ADVISING BANK NOT APPLICABLE			BENEFICIARY SEMINOLE COUNTY BOARD OF COUNTY COMMISSIONERS 1101 EAST FIRST STREET SANFORD, FLORIDA 32771	
THE ABOVE MENTIONED CREDIT IS AMENDED AS FOLLOWS : EXTEND EXPIRY DATE TO JULY 03, 2010 THE AUTOMATIC EXTENSION CLAUSE REMAINS THE SAME. ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED. ***** END OF AMENDMENT *****				
THIS AREA INTENTIONALLY BLANK				
FOR AND ON BEHALF OF COLONIAL BANK, N.A.				
 AUTHORIZED SIGNATURE(S)				



COLONIAL BANK, N.A.

Member FDIC

STANDBY LETTER OF CREDIT		PAGE 1
PLACE OF ISSUE : SUNRISE DATE OF ISSUE : JULY 03, 2007	IRREVOCABLE STANDBY LETTER OF CREDIT	NUMBER 31 9948
ADVISED BY MAIL	DATE AND PLACE OF EXPIRY JULY 03, 2009 SUNRISE, FLORIDA	
APPLICANT KING BUILDERS, LLC. 3359 HORSESHOE BEND COURT LONGWOOD, FL 32779	BENEFICIARY SEMINOLE COUNTY BOARD OF COUNTY COMMISSIONERS 1101 EAST FIRST STREET SANFORD, FLORIDA 32771	
ADVISING BANK NOT APPLICABLE	AMOUNT USD15,532.00 U.S. DOLLARS FIFTEEN THOUSAND FIVE HUNDRED THIRTY TWO ONLY	
CREDIT AVAILABLE WITH COLONIAL BANK, N.A. BY PAYMENT AGAINST PRESENTATION OF THE DOCUMENTS DETAILED HEREIN		

IRREVOCABLE LETTER OF CREDIT
(FOR MAINTENANCE AGREEMENT- (WATER AND SEWER IMPROVEMENTS))

DEAR COMMISSIONERS:

BY ORDER OF KING BUILDERS, LLC., WE HEREBY ESTABLISH AN IRREVOCABLE LETTER OF CREDIT IN YOUR FAVOR. WE HEREBY AUTHORIZE YOU TO DRAW ON COLONIAL BANK, N.A., 1580 SAWGRASS CORPORATE PARKWAY, SUITE 310, SUNRISE, FL 33323 UP TO AN AGGREGATE AMOUNT OF UNITED STATES DOLLARS FIFTEEN THOUSAND FIVE HUNDRED THIRTY-TWO AND 00/100 (US\$15,532.00) AVAILABLE BY YOUR DRAFTS AT SIGHT ACCOMPANIED BY A SIGNED STATEMENT OF THE BOARD OF COUNTY COMMISSIONERS THAT THE MAINTENANCE AGREEMENT DATED JULY 3, 2007, BETWEEN KING BUILDERS, LLC AND SEMINOLE COUNTY IS IN DEFAULT.

DRAFTS MUST BE DRAWN AND NEGOTIATED ON OR BEFORE JULY 3, 2009, AND EACH DRAFT MUST STATE THAT IT IS DRAWN UNDER IRREVOCABLE LETTER OF CREDIT NO. 31-9948 OF COLONIAL BANK, N.A. DATED JULY 3, 2007, AND THE AMOUNT THEREOF ENDORSED ON THIS LETTER OF CREDIT. THE BANK AGREES THAT THIS LETTER OF CREDIT SHALL AUTOMATICALLY RENEW ITSELF FOR SUCCESSIVE ONE-YEAR PERIODS UNLESS THE BANK SHALL GIVE NOTICE TO YOU NO LATER THAN FORTY-FIVE (45) DAYS PRECEDING AN EXPIRATION DATE THAT IT CHOOSES NOT TO RENEW THE LETTER OF CREDIT, IN WHICH CASE, THE COUNTY SHALL BE ENTITLED TO DEMAND AND RECEIVE THE OUTSTANDING AMOUNT OF MONEY REPRESENTED BY THIS LETTER OF CREDIT. IN THE EVENT A DRAW BASED ON EXPIRATION OF THIS LETTER OF CREDIT THE PROCEEDS SHALL BE HELD BY SEMINOLE

THE SUM IS \$15,532.00



COLONIAL BANK, N.A.

Member FDIC

STANDBY LETTER OF CREDIT

PAGE 2

PLACE OF ISSUE : SUNRISE
DATE OF ISSUE : JULY 03, 2007

CONTINUATION OF
STANDBY LETTER OF CREDIT

NUMBER
31 9948

ADVISED BY MAIL

DATE AND PLACE OF EXPIRY
JULY 03, 2009 SUNRISE, FLORIDA

APPLICANT

KING BUILDERS, LLC.
3359 HORSESHOE BEND COURT
LONGWOOD, FL 32779

BENEFICIARY

SEMINOLE COUNTY BOARD OF COUNTY
COMMISSIONERS
1101 EAST FIRST STREET
SANFORD, FLORIDA 32771

COUNTY AS A CASH BOND TO SECURE CONTINUED ADHERENCE TO THE TERMS
OF THE MAINTENANCE AGREEMENT WITH KING BUILDERS, LLC.

UPON TENDER OF PAYMENT, YOU WILL RELEASE TO THE BANK THE ORIGINAL
IRREVOCABLE LETTER OF CREDIT MARKED "CANCELLED". IN ANY EVENT,
UPON EXPIRATION OR AT ANY TIME AFTER THE COMPLETION OF THE
MAINTENANCE AGREEMENT DATE JULY 3, 2007, AND THE COMPLETION OF
KING BUILDERS, LLC OBLIGATIONS THEREUNDER, YOU WILL RETURN THE
ORIGINAL LETTER OF CREDIT TO THIS BANK MARKED "CANCELLED".

WE HEREBY ENGAGE WITH YOU THAT ALL DRAFTS DRAWN UNDER AND IN
COMPLIANCE WITH THE TERMS OF THIS CREDIT, THAT SUCH DRAFTS WILL
BE DULY HONORED UPON PRESENTATION TO COLONIAL BANK, N.A.

IF THE BOARD OF COUNTY COMMISSIONERS INITIATES SUIT UNDER THIS
LETTER OF CREDIT, THE BANK HEREBY AGREES TO BE RESPONSIBLE FOR
SEMINOLE COUNTY'S COURT COSTS AND REASONABLE ATTORNEY'S FEES, BUT
COLONIAL BANK, N.A., SHALL NOT BE RESPONSIBLE FOR ANY ATTORNEY'S
FEES IN EXCESS OF FIFTEEN PERCENT (15%) OF THE AGGREGATE AMOUNT
OF THIS LETTER OF CREDIT.

THIS LETTER OF CREDIT SETS FORTH IN FULL THE TERMS OF OUR
UNDERTAKING AND SUCH UNDERTAKING SHALL NOT, IN ANY WAY, BE
AMENDED BY REFERENCE HEREIN TO ANY AGREEMENT, AND ANY SUCH
REFERENCE SHALL NOT BE DEEMED TO INCORPORATE HEREIN BY REFERENCE
ANY DOCUMENT OR AGREEMENT OTHER THAN THE MAINTENANCE AGREEMENT
DATED JULY 3, 2007 AS REFERENCED HEREIN.


EXCEPT SO FAR AS OTHERWISE EXPRESSLY STATED HEREIN, THIS LETTER
OF CREDIT IS SUBJECT TO THE INTERNATIONAL STANDBY PRACTICES 1998
("ISP98"), INTERNATIONAL CHAMBER OF COMMERCE PUBLICATION 590.

***** END OF CREDIT *****



COLONIAL BANK, N.A.

Member FDIC

STANDBY LETTER OF CREDIT		PAGE 3
PLACE OF ISSUE : SUNRISE	CONTINUATION OF	NUMBER
DATE OF ISSUE : JULY 03, 2007	STANDBY LETTER OF CREDIT	31 9948
ADVISED BY MAIL	DATE AND PLACE OF EXPIRY JULY 03, 2009 SUNRISE, FLORIDA	
APPLICANT KING BUILDERS, LLC. 3359 HORSESHOE BEND COURT LONGWOOD, FL 32779	BENEFICIARY SEMINOLE COUNTY BOARD OF COUNTY COMMISSIONERS 1101 EAST FIRST STREET SANFORD, FLORIDA 32771	
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THIS DOCUMENT CONSISTS OF 3 PAGES		
FOR AND ON BEHALF OF COLONIAL BANK, N.A.		
		
AUTHORIZED SIGNATURE(S)		



Letters of Credit
1580 Sawgrass Corporate Parkway
Sunrise, FL 33323
954-839-1103

October 1, 2009

Seminole County Board of County
Commissioners
1101 East First Street
Sanford, Florida 32771

IMPORTANT ORIGINAL DOCUMENTS ENCLOSED

RE: Colonial Bank Standby Letter of Credit No. 31 9948
Account Party: King Builders, LLC

You recently received a letter from the Federal Deposit Insurance Corporation (the "FDIC") advising you that it was reviewing the Letter of Credit issued on behalf of the above referenced Account Party and that the FDIC has the right to repudiate the Letter of Credit.

Branch Banking and Trust Company ("BB&T") is pleased to inform you that it is issuing a replacement Standby Letter of Credit to you for the benefit of the Account Party. To that end, enclosed please find the replacement Standby Letter of Credit ("Replacement"). You will note that the terms of this Replacement LC remain the same as the original LC.

You should note that the original LC is no longer enforceable and should be returned to our office in the enclosed envelop. We appreciate the opportunity to serve you. Should you have any questions you may contact the undersigned at 954-839-1103.

Sincerely,

A handwritten signature in cursive script that reads "Hiram R. Falcon".

Hiram R. Falcon, CDCS

Manager Letters of Credit Dept.

Branch Banking and Trust Company, Successor in interest to Colonial Bank by asset acquisition from the FDIC as Receiver for Colonial Bank



Federal Deposit Insurance Corporation
1601 Bryan Street, Dallas, TX 75201

Dallas Field Operations Branch

October 7, 2009

CERTIFIED MAIL
RETURN RECEIPT REQUESTED
RECEIPT NO. 7008 3230 0002 5955 5062

Seminole County Board of
County Commissioners
1101 East First Street
Sanford, FL 32771

Subject: FIN#10103 – Colonial Bank
Montgomery, Alabama – In Receivership
Closing Date: August 14, 2009
Standby Letter of Credit No. 319948

Dear Sir or Madam:

The above-captioned institution (the "Institution") was closed on the Closing Date referenced above and the Federal Deposit Insurance Corporation was appointed as receiver for the Institution (the "Receiver"). Under the laws of the United States, the Receiver is charged with the duty of winding up the affairs of the Institution. In order to achieve this goal, the Receiver is given the right under 12 U.S.C. Section 1821(e) to repudiate undertakings entered into by the Institution where it finds such undertakings to be burdensome and where such repudiation will promote the orderly administration of the Institution's affairs.

The Institution's records indicate that you may be a beneficiary of a letter of credit as referenced above. The Receiver has determined that the above-described letter of credit is burdensome and that disaffirmance of said letter of credit will promote the orderly administration of the Institution's affairs. The purpose of this letter is to inform you that the Receiver has elected to disaffirm the above-referenced letter of credit to the full extent, if any, that it represents an enforceable obligation of the Institution or the Receiver.

You may determine that the Receiver's decision to disaffirm your letter of credit gives you a claim against the receivership estate. If so, you must file a Proof of Claim in writing, together with proof thereof, within 90 days from the date of this letter. A Proof of Claim form may be obtained by calling 972-761-8677.


The Receiver hereby demands the immediate return of the original letter of credit. Upon receipt of the original letter of credit, the existing collateral will be returned to the account party (unless it stands as collateral for other obligations owing to the Institution or the Receiver, or is subject to offset or other claims). The original letter of credit should be delivered to the Receiver at the following address by no later than 15 days from the date of this letter:

Federal Deposit Insurance Corporation
As Receiver of Colonial Bank
102 W. Pineloch Ave., Suite 18
Orlando, FL 32806-6131
Attn: Repudiation Department

If you have any further questions concerning the claims process, you may direct your inquiry to the Receiver at the address provided.

Thank you for your anticipated cooperation.

Federal Deposit Insurance Corporation
As Receiver of Colonial Bank

By:  Gary Holloway
Title: Post Closing Asset Manager

STANDBY LETTER OF CREDIT NUMBER BB 9916/AR45		PAGE 1
PLACE OF ISSUE : SUNRISE DATE OF ISSUE : OCTOBER 01, 2009		IRREVOCABLE STANDBY LETTER OF CREDIT DATE AND PLACE OF EXPIRY JULY 03, 2010 SUNRISE, FLORIDA
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APPLICANT KING BUILDERS, LLC. 3359 HORSESHOE BEND COURT LONGWOOD, FL 32779		BENEFICIARY SEMINOLE COUNTY BOARD OF COUNTY COMMISSIONERS 1101 EAST FIRST STREET SANFORD, FLORIDA 32771
ADVISING BANK NOT APPLICABLE		AMOUNT USD15,532.00 U.S. DOLLARS FIFTEEN THOUSAND FIVE HUNDRED THIRTY TWO ONLY
		CREDIT AVAILABLE WITH BRANCH BANKING & TRUST COMPANY, BY PAYMENT AGAINST PRESENTATION OF THE DOCUMENTS DETAILED HEREIN
<p style="text-align: center;">IRREVOCABLE LETTER OF CREDIT (FOR MAINTENANCE AGREEMENT- (WATER AND SEWER IMPROVEMENTS))</p> <p>DEAR COMMISSIONERS:</p> <p>BY ORDER OF KING BUILDERS, LLC., WE HEREBY ESTABLISH AN IRREVOCABLE LETTER OF CREDIT IN YOUR FAVOR. WE HEREBY AUTHORIZE YOU TO DRAW ON BRANCH BANKING AND TRUST COMPANY, 1580 SAWGRASS CORPORATE PARKWAY, SUITE 310, SUNRISE, FL 33323 UP TO AN AGGREGATE AMOUNT OF UNITED STATES DOLLARS FIFTEEN THOUSAND FIVE HUNDRED THIRTY-TWO AND 00/100 (US\$15,532.00) AVAILABLE BY YOUR DRAFTS AT SIGHT ACCOMPANIED BY A SIGNED STATEMENT OF THE BOARD OF COUNTY COMMISSIONERS THAT THE MAINTENANCE AGREEMENT DATED JULY 3, 2007, BETWEEN KING BUILDERS, LLC AND SEMINOLE COUNTY IS IN DEFAULT.</p> <p>DRAFTS MUST BE DRAWN AND NEGOTIATED ON OR BEFORE JULY 3, 2010, AND EACH DRAFT MUST STATE THAT IT IS DRAWN UNDER IRREVOCABLE LETTER OF CREDIT NO. BB 9916/AR45 OF BRANCH BANKING AND TRUST COMPANY, DATED OCTOBER 1, 2009, AND THE AMOUNT THEREOF ENDORSED ON THIS LETTER OF CREDIT. THE BANK AGREES THAT THIS LETTER OF CREDIT SHALL AUTOMATICALLY RENEW ITSELF FOR SUCCESSIVE ONE-YEAR PERIODS UNLESS THE BANK SHALL GIVE NOTICE TO YOU NO LATER THAN FORTY-FIVE (45) DAYS PRECEDING AN EXPIRATION DATE THAT IT CHOOSES NOT TO RENEW THE LETTER OF CREDIT, IN WHICH CASE, THE COUNTY SHALL BE ENTITLED TO DEMAND AND RECEIVE THE OUTSTANDING AMOUNT OF MONEY REPRESENTED BY THIS LETTER OF CREDIT. IN THE EVENT A DRAW BASED ON EXPIRATION OF THIS LETTER OF CREDIT THE PROCEEDS SHALL BE HELD BY SEMINOLE COUNTY AS A CASH BOND TO SECURE CONTINUED ADHERENCE TO THE TERMS OF THE MAINTENANCE AGREEMENT WITH KING BUILDERS, LLC.</p>		

\$15,532.00

STANDBY LETTER OF CREDIT NUMBER BB 9916/AR45

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CONTINUATION OF
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DATE AND PLACE OF EXPIRY
JULY 03, 2010 SUNRISE, FLORIDA

APPLICANT
KING BUILDERS, LLC.
3359 HORSESHOE BEND COURT
LONGWOOD, FL 32779

BENEFICIARY
SEMINOLE COUNTY BOARD OF COUNTY
COMMISSIONERS
1101 EAST FIRST STREET
SANFORD, FLORIDA 32771

UPON TENDER OF PAYMENT, YOU WILL RELEASE TO THE BANK THE ORIGINAL IRREVOCABLE LETTER OF CREDIT MARKED "CANCELLED". IN ANY EVENT, UPON EXPIRATION OR AT ANY TIME AFTER THE COMPLETION OF THE MAINTENANCE AGREEMENT DATE JULY 3, 2007, AND THE COMPLETION OF KING BUILDERS, LLC OBLIGATIONS THEREUNDER, YOU WILL RETURN THE ORIGINAL LETTER OF CREDIT TO THIS BANK MARKED "CANCELLED".

WE HEREBY ENGAGE WITH YOU THAT ALL DRAFTS DRAWN UNDER AND IN COMPLIANCE WITH THE TERMS OF THIS CREDIT, THAT SUCH DRAFTS WILL BE DULY HONORED UPON PRESENTATION TO BRANCH BANKING AND TRUST COMPANY.

IF THE BOARD OF COUNTY COMMISSIONERS INITIATES SUIT UNDER THIS LETTER OF CREDIT, THE BANK HEREBY AGREES TO BE RESPONSIBLE FOR SEMINOLE COUNTY'S COURT COSTS AND REASONABLE ATTORNEY'S FEES, BUT BRANCH BANKING AND TRUST COMPANY, SHALL NOT BE RESPONSIBLE FOR ANY ATTORNEY'S FEES IN EXCESS OF FIFTEEN PERCENT (15%) OF THE AGGREGATE AMOUNT OF THIS LETTER OF CREDIT.

THIS LETTER OF CREDIT SETS FORTH IN FULL THE TERMS OF OUR UNDERTAKING AND SUCH UNDERTAKING SHALL NOT, IN ANY WAY, BE AMENDED BY REFERENCE HEREIN TO ANY AGREEMENT, AND ANY SUCH REFERENCE SHALL NOT BE DEEMED TO INCORPORATE HEREIN BY REFERENCE ANY DOCUMENT OR AGREEMENT OTHER THAN THE MAINTENANCE AGREEMENT DATED JULY 3, 2007 AS REFERENCED HEREIN.

EXCEPT SO FAR AS OTHERWISE EXPRESSLY STATED HEREIN, THIS LETTER OF CREDIT IS SUBJECT TO THE INTERNATIONAL STANDBY PRACTICES 1998 ("ISP98"), INTERNATIONAL CHAMBER OF COMMERCE PUBLICATION 590.

***** END OF CREDIT *****

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THIS DOCUMENT CONSISTS OF 3 PAGES FOR AND ON BEHALF OF BRANCH BANKING AND TRUST COMPANY <i>William R. Fallon</i> AUTHORIZED SIGNATURE(S)		